GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:523
ANSWERED ON:03.12.2004
SBI COLLECTING AMOUNT FROM INTERNATIONAL MARKET
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Will the Minister of FINANCE be pleased to state:

(a) whether State Bank of India proposes to collect one bn. Dollar from international market;

(b) if so, the details in this regard; and

(c)the aims and objects for collecting the said amount from international market?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALAMMANICKAM)

(a)&(b): Yes, Sir, State Bank has established a Medium Term Notes (MTN) programme to facilitate issuance of debt instruments denominated in foreign currency. The proceeds of such issuance would be deployed at foreign branches of State Bank of India to fund their operations. The size of this MTN programme is USD 1 billion.

(c): The purpose of the MTN programme is to augment the resources of SBFs foreign branches with stable and long tenor funds. This would facilitate reduction in dependence on inter-bank borrowings, facilitate building up of the assets and enlarge the investor base.